



VIRGINIA LOTTERY
CASH4LIFE

REPORT ON APPLYING
AGREED-UPON PROCEDURES
FOR THE PERIOD
APRIL 2016 THROUGH MARCH 2017

Auditor of Public Accounts
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Members of the Virginia Lottery Board
900 East Main Street
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Virginia Lottery and the other member lotteries in the states of Florida, Georgia, Indiana, Maryland, New Jersey, New York, Pennsylvania, and Tennessee (referred to as the "Member Lotteries"), which operate **Cash4Life**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Cash4Life: Virginia Lottery's sales and prize expense for the period April 2016 through March 2017, and the Virginia Lottery's receivable or payable as of March 2017. Virginia Lottery is responsible for its records of financial information associated with Cash4Life. The sufficiency of the procedures is solely the responsibility of the Virginia Lottery and Member Lotteries. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon procedures that we performed and our findings are as follows:

- A. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" reports for the period April 2016 through March 2017 and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.
- B. We randomly selected the following five Cash4Life draw dates from the period April 2016 through March 2017 for testing as indicated in "C," "D," and "E" below.

June 9, 2016
December 8, 2016
March 16, 2017

October 20, 2016
December 22, 2016

- C. For each Cash4Life draw date selected in step “B” above, we compared the total amount of sales as shown on the daily sales report produced by the Virginia Lottery’s gaming system and the total amount of sales shown on the related daily sales report produced by the Internal Control System (ICS) with the balance listed in the “Sales” column for the respective draw date on the “Draw Activity” report attached as Exhibit I and found them to be in agreement.
- D. We calculated the total dollar amount of the fixed prizes for the draw dates selected in step “B” above, based on the total number of winners from the Virginia Lottery’s gaming system for each prize level and the prize structure of the Cash4Life’s fixed prizes (as defined in the official game rules). We compared the calculated expense with the amount listed in the “Actual Fixed Prizes” column for the respective draw date on the “Draw Activity” report attached as Exhibit I and found them to be in agreement.
- E. For each draw date selected in step “B” above, we compared the amount of sales, actual fixed prizes, and share of fixed prizes shown on the “Draw Activity” report attached as Exhibit I to the amounts shown on the applicable Cash4Life Prize Settlement Reports and found them to be in agreement.
- F. For the period identified in step “B” above, we randomly selected two months and obtained the “Expired Prize Settlement Report” distributed by the Virginia Lottery. For the two months selected, we obtained the actual fixed prizes awarded from the Virginia Lottery ICS and the prizes unclaimed from Virginia Lottery’s financial accounting records. We compared this data back to the data reported from the Virginia Lottery for each draw of the subject months and found them to be in agreement.
- G. We compared the amounts shown as the total of the actual fixed prizes and the total of the share of fixed prizes on the “Draw Activity” report attached as Exhibit I to the applicable amounts shown on the “Fixed Prize Analysis” report attached as Exhibit II and found them to be in agreement.
- H. We compared the total of the quarterly transfers to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Virginia Lottery’s cash disbursement subsidiary records to the amount listed in the “Qtrly/Yrly Settlements Transfers In/(Out)” column on the “Fixed Prize Analysis” report attached as Exhibit II and found them to be in agreement.
- I. We compared the balance listed as the Virginia Lottery’s receivable as of March 2017 for the fixed prizes as shown on the “Fixed Prize Analysis” report attached as Exhibit II to the Virginia Lottery’s financial accounting records and to the Cash4Life Prize Settlement Report as of March 2017 and found them to be in agreement.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. These agreed-upon procedures do not constitute an audit of financial statements or any part thereof, the objective of which is the expression of an opinion on the financial statements or a part thereof. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Virginia Lottery and Member Lotteries as specified above and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

AVC/alh

Cash4Life
Virginia Lottery Draw Activity
From April 2016 through March 2017

Exhibit I

State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
	4/04/2016	\$ 174,122	\$ 47,424	\$ 47,996	\$ -	\$ -
	4/07/2016	160,518	43,217	44,764	-	-
	4/11/2016	166,624	43,183	43,059	-	-
	4/14/2016	158,732	38,841	41,393	-	-
	4/18/2016	162,236	48,157	48,335	-	-
	4/21/2016	155,396	47,447	47,121	-	-
	4/25/2016	161,338	43,133	46,482	-	-
	4/28/2016	155,180	52,014	46,075	-	-
MD	5/02/2016	165,444	48,167	47,385	-	-
	5/05/2016	158,442	42,521	44,123	-	-
	5/09/2016	168,854	47,191	45,495	-	-
	5/12/2016	159,764	49,979	51,524	-	-
	5/16/2016	164,714	53,322	48,795	-	-
	5/19/2016	157,804	42,722	43,638	-	-
VA	5/23/2016	163,014	48,709	48,589	-	7,000,000
NY	5/26/2016	154,454	47,492	48,260	-	-
	5/30/2016	149,516	66,892	58,112	-	-
	6/02/2016	163,674	45,683	47,974	-	-
	6/06/2016	168,418	44,085	44,595	-	-
	6/09/2016	155,790	48,565	47,132	-	-
	6/13/2016	159,982	37,585	40,430	-	-
	6/16/2016	152,830	43,551	43,151	-	-
	6/20/2016	157,076	47,657	47,313	-	-
	6/23/2016	153,130	42,577	42,364	-	-
	6/27/2016	158,668	59,494	54,752	-	-
	6/30/2016	156,270	58,083	54,699	-	-
	7/04/2016	157,794	43,158	45,528	-	-
	7/07/2016	162,408	49,395	49,113	-	-
	7/11/2016	167,716	55,628	54,906	-	-
	7/14/2016	155,038	78,651	70,161	-	-
	7/18/2016	164,288	41,166	41,847	-	-
	7/21/2016	153,446	47,662	46,825	-	-
	7/25/2016	161,806	70,433	57,048	-	-
	7/28/2016	153,810	40,516	41,868	-	-
	8/01/2016	172,968	41,311	42,009	-	-
	8/04/2016	159,280	38,854	41,281	-	-
NJ	8/08/2016	163,792	87,704	77,080	-	-
	8/11/2016	154,456	36,008	39,562	-	-

Cash4Life
Virginia Lottery Draw Activity
From April 2016 through March 2017

Exhibit I

State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
	8/15/2016	162,290	42,558	41,410	-	-
	8/18/2016	152,996	49,516	46,728	-	-
	8/22/2016	159,302	46,866	48,810	-	-
	8/25/2016	151,424	43,295	43,754	-	-
	8/29/2016	157,226	52,550	50,453	-	-
	9/01/2016	154,634	37,447	38,180	-	-
	9/05/2016	147,040	41,611	41,894	-	-
	9/08/2016	149,824	53,588	47,737	-	-
	9/12/2016	156,112	38,816	38,923	-	-
	9/15/2016	147,178	39,091	40,208	-	-
	9/19/2016	151,986	39,044	40,408	-	-
	9/22/2016	146,664	37,689	40,679	-	-
	9/26/2016	152,424	33,789	39,293	-	-
	9/29/2016	146,530	38,736	41,113	-	-
	10/03/2016	156,796	38,330	40,755	-	-
	10/06/2016	144,484	78,639	63,094	-	-
	10/10/2016	144,310	37,521	37,451	-	-
	10/13/2016	142,786	49,213	49,292	-	-
	10/17/2016	147,644	43,118	45,252	-	-
	10/20/2016	141,438	33,469	36,643	-	-
	10/24/2016	147,670	38,307	43,124	-	-
	10/27/2016	138,988	44,792	42,129	-	-
	10/31/2016	146,610	38,425	40,706	-	-
	11/03/2016	144,092	53,606	44,614	-	-
	11/07/2016	147,732	49,514	47,458	-	-
	11/10/2016	144,746	51,773	50,684	-	-
	11/14/2016	144,098	48,115	46,695	-	-
	11/17/2016	138,780	32,395	36,078	-	-
NY	11/21/2016	141,920	40,827	42,984	-	-
	11/24/2016	118,942	35,846	32,961	-	-
	11/28/2016	146,260	36,922	36,997	-	-
	12/01/2016	143,524	37,970	38,452	-	-
	12/05/2016	149,924	58,233	53,559	-	-
	12/08/2016	138,746	41,113	40,164	-	-
	12/12/2016	143,428	39,233	40,770	-	-
	12/15/2016	135,656	45,926	44,257	-	-
	12/19/2016	143,664	55,462	49,604	-	-
	12/22/2016	143,300	44,078	42,706	-	-
	12/26/2016	136,146	48,231	44,437	-	-

Cash4Life
Virginia Lottery Draw Activity
From April 2016 through March 2017

Exhibit I

State	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Tier 2 Amount	Grand Prize Amount
	12/29/2016	143,512	56,403	49,678	-	-
	1/02/2017	146,432	35,637	39,728	-	-
	1/05/2017	146,224	38,782	40,128	-	-
	1/09/2017	129,862	31,765	35,572	-	-
	1/12/2017	141,116	37,563	36,474	-	-
	1/16/2017	145,902	50,279	50,287	-	-
	1/19/2017	143,710	37,053	38,159	-	-
	1/23/2017	142,268	38,757	39,984	-	-
	1/26/2017	139,390	37,462	38,771	-	-
	1/30/2017	147,808	48,272	45,333	-	-
	2/02/2017	145,028	43,107	41,480	-	-
	2/06/2017	149,772	34,832	40,261	-	-
	2/09/2017	140,758	43,848	39,890	-	-
	2/13/2017	146,282	44,919	44,516	-	-
	2/16/2017	140,404	55,020	48,486	-	-
	2/20/2017	146,812	50,982	45,347	-	-
	2/23/2017	147,636	43,267	42,062	-	-
	2/27/2017	152,960	44,870	46,023	-	-
	3/02/2017	147,350	74,047	59,072	-	-
	3/06/2017	154,552	55,734	49,620	-	-
	3/09/2017	146,398	43,638	43,566	-	-
	3/13/2017	157,356	46,012	48,196	-	-
	3/16/2017	139,314	35,249	37,179	-	-
	3/20/2017	151,666	40,083	39,932	-	-
	3/23/2017	143,096	36,356	40,746	-	-
	3/27/2017	149,746	32,610	38,337	-	-
	3/30/2017	142,598	39,075	37,843	-	-
Total		\$15,724,058	\$4,759,453	\$4,677,910	\$ -	\$7,000,000

Cash4Life
Virginia Lottery Fixed Prize Analysis
From April 2016 through March 2017

Exhibit II

State	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In/Out	Receivable (Payable)
Florida	\$ -	\$ 3,028,853	\$ 3,068,476	\$ -	\$(39,623)
Georgia	-	2,475,927	2,468,354	-	7,573
Indiana	-	1,586,389	1,575,989	-	10,400
Maryland	(1,738)	5,498,696	5,474,153	11,658	11,147
New Jersey	(85,395)	12,304,294	12,292,172	(83,448)	10,175
New York	107,684	27,468,008	27,468,417	77,152	30,123
Pennsylvania	16,182	7,315,364	7,330,557	12,307	(11,318)
Tennessee	(43,573)	3,476,019	3,556,975	(38,644)	(85,885)
Virginia	6,840	4,759,453	4,677,910	20,975	67,408
Total	\$ -	\$67,913,003	\$67,913,003	\$ -	\$ -